

The Influence of Demographic Features on Consumer Decision Making in QSR: An Indian Consumer Perspective

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Abstract

India is a diverse country in terms of language, food, taste etc. Talking about the food, Indian mother has given utmost importance to the home cooked food that includes cereal, wheat and rice. In this dynamic food industry, the presence of various fast food outlets in organized and unorganized retail market has changed the taste and preference towards selection of food. The presence of quick service restaurants like Mc. Donald, KFC, Pizza Hut, Dominos etc has reshaped the conventional food taste. This study measures the impact of demographic features on consumers' decision in selecting Quick service restaurant and fast food.

Keywords: QSR, behavior, decision making

Title: The influence of the demographic features on consumer decision making in QSR: An Indian Perspective

Purpose: To measure the impact of demographic features on consumers' decision in selecting QSR & fast food

Design/Methodology: An open ended questionnaire is prepared and distributed among the respondents through online mode. A sample size of 96 respondents is selected. Simple random sampling, a part of probability sampling is used. Chi Square test is implemented to analyse the impact using SPSS software.

Findings: We have found taste as the major reason that attract consumer towards fast food. Most of the respondents would like to eat fast food as snacks. They don't treat it as breakfast, lunch or dinner. Gender and fast food eating frequency per month are independent of each other. Education factor does not play significant role in calculating the price of fast food meal. There is no significant impact of marital status on consumer decision making as why he/she is consuming fast food.

Research limitations/ implications: The outcome of this research is related with only fast food sector and cover organized fast food retail outlet. Online distribution of questionnaire was done through google forms and responses were recorded through online mode only.

Introduction

Customers go to the restaurants to enjoy the food, ambience (Saad Andaleeb and Conway (2006). They may go to street vendor to satisfy

their local food taste buds. Customer visit quick service restaurant, observe the menu and decides their food preference (Elbel, Gyamfi, & Kersh, 2011). Also they may be moving on road side or street and then came across any unorganized fast food outlet and decides their food preference. Fast food is available in both organized and unorganized retail market (Downs, Thow, Ghosh-Jerath, & Leeder, 2014). Taste, easily preparation, easily availability, restaurant location may be any factor that attract the customer towards fast food outlet (Kara, Kaynak, and Kucukemiroglu (1995).

Demographic features play important role in deciding the food preferences (Chen (2007). These features may affect their decision related with food selection, dine in or take away, selection of fast food outlet, eating fasting food in breakfast, lunch, snacks or dinner etc.

Demographic features of population includes sex, income level, education, marital status, religion, occupation, birth rate, death rate, average size of family (Glick, 1988).

Review of Literature

A study conducted by Ehsan (2012) considered price, food variety, promotional deals and well on time service delivery as the imperative factors that create a base for the selection of quick service restaurants. The author conducted this study in different cities and found a difference in choice and selection of fast food restaurants. Anand (2011) concluded that eating out with family/friends, service scape, taste, high disposable income in urban India are the main determinants effecting their food/restaurant choice. Jani and Han (2011) discovered customer satisfaction depends upon the service encounter and trust as compared to the price factor. Izquierdo-Yusta, Gómez-Cantó, Pelegrin-Borondo, and Martínez-Ruiz (2018) discussed the three groups in which the customers can be segmented i.e. mainly utilitarian, mainly hedonic, ethical values group. All these groups differ from each other on the basis of trust, satisfaction and loyalty. Ryu, Lee, and Gon Kim (2012) found that restaurant image largely depend upon food, physical environment and service. (Binkley, 2006) studied that demographic features still affect the consumer food preferences. Food nutritional value has little or no affect on selection of fast food. Health conscious consumers consume lower amount of fast food.

Research Methodology

Open ended questionnaire was distributed through online mode via Google forms. Total numbers of 120 responses were received out of which 96 responses were found to be complete. Simple random sampling, a part of probability sampling, was used. Customer satisfaction was analysed by five point Likert scale being 1 Highly Dissatisfied, 2 Dissatisfied, 3 neutral, 4 Satisfied, 5 Highly Satisfied. Demographic features being used in the study are gender,

age, education level, marital status and employment status. Impacts of demographic features were measured on the following:-

- 1.Frequency of eating fast food per month
- 2.Order type i.e. Dine in, take away or drive through
- 3.Choosing favorite restaurant (Mc Donald, KFC, Pizza Hut etc)
- 4.Calculating fast food meal cost
- 5.Fast food type (Burger, fried chicken, pizza etc.)
- 6.Reason for choosing (location, convenience, taste etc.)
- 7.Eating time i.e. Breakfast, lunch, snack or dinner

After going through the review of literature, following hypothesis have been formulated;-

Hypothesis

H(o): There is no significant impact of demographic features on decision making in quick service restaurant.

H(a): There is a significant impact of demographic features on decision making in quick service restaurant.

In order to accept or reject above mentioned hypothesis, following hypothesis have been formulated.

H(o): There is no significant impact of gender on consumption of fast food per month

H(o): There is no significant impact of education on calculating the meal cost

H(o): There is no significant impact of marital status on finding out the reason as why to eat fast food

H(o): There is no significant impact of age on choosing order mode (dine in, take away, drive through)

H(o): There is no significant impact of employment status on timing of eating fast food (breakfast, lunch, snack or dinner)

H(o): There is no significant impact of gender on selection of fast food outlet

H(o): There is no significant impact of education level on selection of fast food

Data Analysis and Interpretation

Characteristics	Frequency	Percentage
Gender		
Male	64	66.7
Female	32	33.3
Age		
17-27	42	43.8
28-38	36	37.5
Above 38	18	18.8
Education level		
High School	4	4.2
Bachelor Degree	42	43.8
Master Degree	40	41.7
Ph.D	10	10.4
Marital Status		
Single	34	35.4
Married	58	60.4
Widow	2	2.1
Divorced	2	2.1
Employment status		
Self Employed	22	22.9
Homemaker	4	4.2
Student	14	14.6
Retired	4	4.2
Salaried	50	52.1
Fresher	2	2.1
Consumption of fast food		
Rarely eat fast food	16	16.7
Once a month	26	27.1
2-4 times a month	32	33.3
5-10 times a month	18	18.8
More than 10 times	4	4.2
Taking order		
Eat in	56	58.3
Take away	16	16.7

Drive Thru	6	6.2
Eat in, take away	12	12.5
Eat in, take away, drive thru	4	4.2
Eat in, drive thru	2	2.1
Favourite Restaurant		
Mc Donald	12	12.5
Burger King	6	6.2
KFC	4	4.2
Subway	16	16.7
Pizza Hut	2	2.1
Dominos	14	14.6
Nothing Special	2	2.1
Owenfresh	2	2.1
KFC, Subway, Dominos	14	14.6
Mc Donald, Subway, Dominos	10	10.4
Dominos, street food	6	6.2
Mc Donald, Dominos	4	4.2
Mc Donald, KFC, Burger King, Subway, Pizza Hut, Dominos	4	4.2
Meal Cost		
Less than Rs 50	6	6.2
Rs 51-100	18	18.8
Rs 101-150	16	16.7
Rs 151-200	22	22.9
Above 200	34	35.4
Fast Food type		
Burger	18	18.8
Pizza	6	6.2
Fries	8	8.3
Fried Chicken	14	14.6
Subway Sandwich	32	33.3
Wrap	4	4.2
Pasta	2	2.1
Fries, Fried Chicken, wrap	10	10.4
Burger, Fried Chicken	2	2.1
Reason for Choosing		
Convenience	14	14.6

Taste	30	31.2
Price	6	6.2
Variety of options	20	20.8
Location	8	8.3
Limited time for cooking	2	2.1
As a treat	4	4.2
Taste, Price, Location	4	4.2
Convenience, Variety of options, Location	2	2.1
Price, Location	4	4.2
Price, Location, As a treat	2	2.1

When You eat?

Lunch	14	14.6
Snack	50	52.1
Dinner	32	33.3

Overall Satisfaction

Highly Dissatisfied	2	2.1
Dissatisfied	6	6.2
Neutral	14	14.6
Satisfied	52	54.2
Highly Satisfied	22	22.9

In order to accept and reject the main hypothesis more hypothesis are formulated.

H(o): There is no significant impact of gender on consumption of fast food per month

In order to accept or reject above hypothesis, Chi Square Test is used:

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	5.731 ^a	4	.220	.222		
Likelihood Ratio	5.674	4	.225	.266		
Fisher's Exact Test	5.850			.196		
Linear-by-Linear Association	.017 ^b	1	.895	.922	.486	.078
N of Valid Cases	96					

a. 2 cells (20.0%) have expected count less than 5. The minimum expected count is 1.33.

b. The standardized statistic is .132.

Obtained p value received is greater than the alpha .05 both in the case of Pearson Chi-square test and Fisher's exact test, so we accept the null hypothesis that Gender and frequency of eating fast food per month are independent of each other. In other words, there is no significant impact of gender on

the decision making to eat fast food.

H(o): There is no significant impact of education on calculating the meal cost

Education and Meal Cost

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	12.224 ^a	12	.428	.429		
Likelihood Ratio	15.515	12	.214	.299		
Fisher's Exact Test	10.570			.505		
Linear-by-Linear Association	.558 ^b	1	.455	.490	.245	.032
N of Valid Cases	96					

a. 12 cells (60.0%) have expected count less than 5. The minimum expected count is .25.

b. The standardized statistic is .747.

Obtained p value received is greater than the alpha .05 both in the case of Pearson Chi-square test and Fisher's exact test, so we accept the null hypothesis that education and calculating meal cost are independent of each other. In other words, there is no significant impact of education on

calculating meal cost.

H(o): There is no significant impact of marital status on finding out the reason as why to eat fast food

Marital status and Reason to eat fast food

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	14.271 ^a	10	.161	.147		
Likelihood Ratio	19.545	10	.034	.068		
Fisher's Exact Test	13.108			.153		
Linear-by-Linear Association	1.919 ^b	1	.166	.171	.087	.011
N of Valid Cases	96					

a. 16 cells (72.7%) have expected count less than 5. The minimum expected count is .67.

b. The standardized statistic is -1.385.

Obtained p value received is greater than the alpha .05 both in the case of Pearson Chi-square test and Fisher's exact test, so we accept the null hypothesis that marital status and reason to eat fast food are independent of each other. In other words, there is no significant impact of marital status

on consumer decision making as why to eat fast food.

H(o): There is no significant impact of age on choosing order mode (dine in, take away, drive through)

Age and orders mode

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	17.714 ^a	10	.060	.051		
Likelihood Ratio	22.144	10	.014	.023		
Fisher's Exact Test	15.842			.048		
Linear-by-Linear Association	1.310 ^b	1	.252	.276	.138	.021
N of Valid Cases	96					

a. 12 cells (66.7%) have expected count less than 5. The minimum expected count is .38.

b. The standardized statistic is -1.144.

Talking about Fisher's exact test, Obtained p value is smaller than the alpha .05 value. We reject the null hypothesis that age and order mode are independent of each other. In other words age factor play a significant role in deciding whether a customer will dine in a restaurant or will get the food packed

or will collect it from drive through.

H(o): There is no significant impact of employment status on timing of eating fast food (breakfast, lunch, snack or dinner)

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	40.131 ^a	30	.102	. ^a		
Likelihood Ratio	43.423	30	.054	.002		
Fisher's Exact Test	47.864			.007		
Linear-by-Linear Association	5.099 ^c	1	.024	.024	.010	.001
N of Valid Cases	96					

a. 39 cells (88.6%) have expected count less than 5. The minimum expected count is .04.

b. Cannot be computed because there is insufficient memory.

c. The standardized statistic is -2.258.

c. The standardized statistic is -2.258.

Talking about Fisher's exact test, Obtained p value is smaller than the alpha .05 value. We reject the null hypothesis that employment status and time of consuming fast food are independent of each other. In other words, there is a significant impact of employment status on time of

consuming fast food.

H(o): There is no significant impact of gender on selection of fast food outlet

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	33.139 ^a	12	.001	.000		
Likelihood Ratio	41.976	12	.000	.000		
Fisher's Exact Test	30.784			.000		
Linear-by-Linear Association	1.919 ^b	1	.166	.173	.087	.007
N of Valid Cases	96					

a. 20 cells (76.9%) have expected count less than 5. The minimum expected count is .67.

b. The standardized statistic is 1.385.

Obtained p value received is lower than the alpha .05 both in the case of Pearson Chi-square test and Fisher's exact test, so we reject the null hypothesis that gender and selection of fast food outlet are independent of each other. In other words, there is a significant impact of gender on consumer

decision making regarding selection of fast food outlet.

H(o): There is no significant impact of education level on selection of fast food

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)	Exact Sig. (2-sided)	Exact Sig. (1-sided)	Point Probability
Pearson Chi-Square	34.779 ^a	24	.072	. ^a		
Likelihood Ratio	34.445	24	.077	.070		
Fisher's Exact Test	27.002			.165		
Linear-by-Linear Association	1.341 ^c	1	.247	.255	.129	.010
N of Valid Cases	96					

a. 30 cells (83.3%) have expected count less than 5. The minimum expected count is .08.

b. Cannot be computed because there is insufficient memory.

c. The standardized statistic is -1.158.

Obtained p value received is greater than the alpha .05 both in the case of Pearson Chi-square test and Fisher's exact test, so we accept the null hypothesis that education level and selection of fast food are independent of each other. In other words, there is no significant impact of education level on consumer decision making regarding selection of fast food.

Findings:

Majority of the respondents consume fast food 2-4 times a month. This is a positive signal for the owners of fast food outlets.

Majority of the respondents want to eat fast food inside restaurants. They will ignore other options like packing the food or collecting the food from drive through.

Most of the respondents' choice is subway. This reflects a consumer has become diet and health conscious.

Most of the respondents feel the meal cost to be more than Rs 200/- per visit.

Majority of the respondents order subway sandwich over pizza, burger, french fries etc.

Taste is a major reason that attract consumer towards fast food.

Most of the respondents would like to eat fast food as snacks. They don't treat it as breakfast, lunch or dinner.

There is no significant impact of gender on the consumer decision making as to how many times he/she is going to eat fast food per month.

There is no significant impact of education on calculating meal cost. Education factor does not play significant role in calculating the price of fast food meal.

Marital status and finding out the reason as why consumer consumes fast food are independent of each other. In other words, there is no significant impact of marital status on consumer decision making as why he/she is consuming fast food.

We have found a significant impact of age on choosing order mode. Age factor play an important role in deciding whether a customer will eat fast food in restaurant or he/she will get it packed or he/she will collect via drive through.

We have found a significant impact of employment status on timing of consuming fast food. Whether a customer will eat fast food as breakfast, lunch, snack or dinner will depend upon his employment status.

There is a significant impact of gender on consumer decision making regarding selection of fast food outlet.

There is no significant impact of customer education level on selection of fast food. Education does not play significant

role in choosing burger, pizza, subway sandwich, French fries etc.

Majority of the respondents are satisfied with the food and services offered by quick service restaurants.

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